

## Auto Insurance Fraud

### DESCRIPTION OF MAJOR SERVICES

Insurance fraud is a particular problem for automobile policyholders; as it is one of the biggest and fastest growing segments of insurance fraud and contributes substantially to the high cost of automobile insurance with particular significance in urban areas. Prevention of automobile insurance fraud can significantly reduce insurance claim payments and may therefore produce a commensurate reduction in automobile insurance premiums.

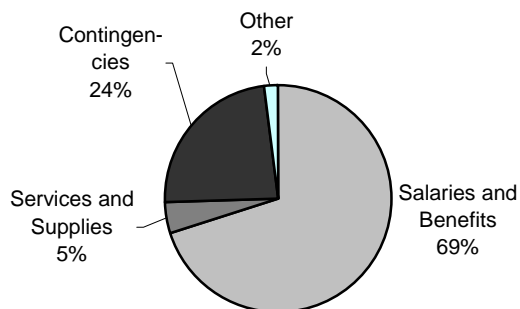
Under the direction of the Insurance Commissioner, the California Department of Insurance makes funds available, as authorized by Section 1871 of the California Insurance Code, to the District Attorney's Office for investigation and prosecution of automobile insurance fraud. This budget unit administers those funds.

### BUDGET AND WORKLOAD HISTORY

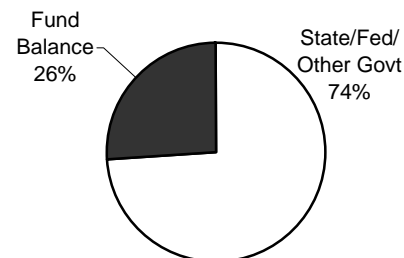
	Actual 2003-04	Budget 2004-05	Estimate 2004-05	Proposed 2005-06
Appropriation	561,171	649,824	558,971	1,086,567
Departmental Revenue	569,495	600,000	793,114	802,600
Fund Balance		49,824		283,967
Budgeted Staffing		5.0		6.0

Estimated Appropriation is less than Budgeted Appropriation due to Salaries and Benefits Savings as well as savings in General Office Expenses. Proposed Appropriation is increasing due to the addition of one Senior Investigator approved by the Board on March 1, 2005 and an increase in Contingencies due to higher than anticipated revenue.

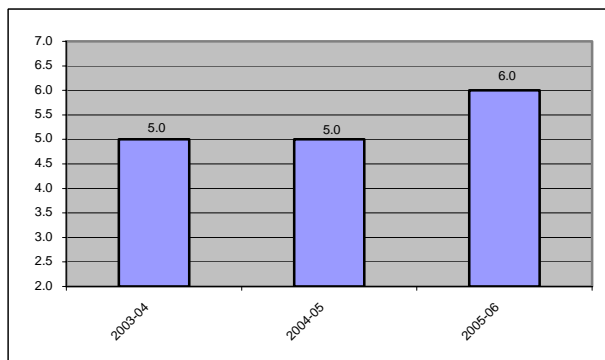
### 2005-06 BREAKDOWN BY EXPENDITURE AUTHORITY



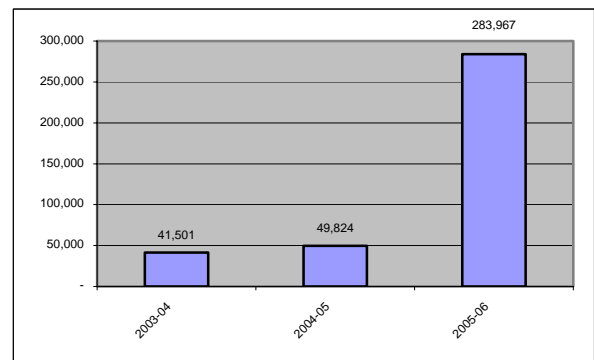
### 2005-06 BREAKDOWN BY FINANCING SOURCE



### 2005-06 STAFFING TREND CHART



### 2005-06 FUND BALANCE TREND CHART



GROUP: Law & Justice  
 DEPARTMENT: District Attorney  
 FUND: Auto Insurance Fraud

BUDGET UNIT: RIP DAT  
 FUNCTION: Public Safety  
 ACTIVITY: Auto Insurance Fraud

## ANALYSIS OF 2005-06 BUDGET

	A	B	C	D	B+C+D E	F Department Recommended Funded Adjustments (Schedule A)	E+F G
	2004-05 Year-End Estimates	2004-05 Final Budget	Cost to Maintain Current Program Services	Board Approved Adjustments	Board Approved Base Budget		2005-06 Proposed Budget
<b>Appropriation</b>							
Salaries and Benefits	501,615	572,863	36,840	170,000	779,703	(21,197)	758,506
Services and Supplies	34,437	41,341	974	20,714	63,029	(13,986)	49,043
Central Computer	2,719	-	2,780	-	2,780	-	2,780
Transfers	20,200	21,237	-	-	21,237	(547)	20,690
Contingencies	-	14,383	-	-	14,383	241,165	255,548
Total Appropriation	558,971	649,824	40,594	190,714	881,132	205,435	1,086,567
<b>Departmental Revenue</b>							
Use Of Money & Prop	2,400	-	-	-	-	2,600	2,600
State, Fed or Gov't Aid	790,714	600,000	-	190,714	790,714	9,286	800,000
Total Revenue	793,114	600,000	-	190,714	790,714	11,886	802,600
Fund Balance		49,824	40,594	-	90,418	193,549	283,967
Budgeted Staffing		5.0	-	1.0	6.0	-	6.0

Increases in Cost to Maintain Current Program Services include increased costs for MOU, worker's compensation, and retirement; as well as increases in Risk Management premiums. Costs for Central Computer have increased due to direct billing to budget unit by ISD.

The fund balance, which increased slightly this year, is maintained by the department to mitigate negative effects from the unpredictable grant revenue that sustains this fund.

DEPARTMENT: District Attorney  
 FUND: Auto Insurance Fraud  
 BUDGET UNIT: RIP DAT

## SCHEDULE A

## DEPARTMENT RECOMMENDED FUNDED ADJUSTMENTS

Brief Description of Program Adjustment	Budgeted Staffing	Appropriation	Departmental Revenue	Fund Balance
1. Decrease Salaries and Benefits Vacancy was filled with staff at lower step than previously budgeted providing salary and benefits savings.		(21,197)	-	(21,197)
2. Decrease Service and Supplies Adjustment for mid-year board item which allocated funding for start-up costs for one additional employee in 2004-05.	-	(13,986)	-	(13,986)
3. Decrease Transfers Decrease transfer for EHAP.	-	(547)	-	(547)
4. Increase Contingencies Increase reflects increased grant award and higher fund balance due to salaries and benefits savings in 2004-05.	-	241,165	-	241,165
5. Increase Revenue Represents increased grant award from Department Of Insurance, which is expected to continue in 2005-06, as well as increase in interest income.	-	-	11,886	(11,886)
<b>Total</b>	<b>-</b>	<b>205,435</b>	<b>11,886</b>	<b>193,549</b>

